

____.B. NO.____

A BILL FOR AN ACT

RELATING TO _____.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION ___. The definition of "Part-time, temporary, and
2 seasonal or casual employee" in Section 87A-1, Hawaii Revised
3 Statutes, is amended to read as follows:

4 "Part-time, temporary, and seasonal or casual employee"
5 means a person employed for fewer than three months [~~and~~] or
6 whose employment is less than one-half of a full-time equivalent
7 position."

8 SECTION ___. Section 87A-7, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§87A-7 Chair, vice-chair, [~~and~~] secretary-treasurer, and**
11 **other officers**. The trustees shall elect from among the members
12 a chair, a vice-chair, and a secretary-treasurer. The trustees
13 may elect from among the members additional officers as may be
14 agreed upon from time to time or as provided in any rules
15 enacted by the board. The board shall establish the powers and
16 duties of all officers of the board."

____.B. NO. _____

1 SECTION ____ Section 87A-11, Hawaii Revised Statutes is
2 amended to read as follows:

3 **"§87A-11 Quorum; board actions; voting.** (a) Six trustees,
4 three of whom represent the public employer and three of whom
5 represent employee-beneficiaries, shall constitute a quorum for
6 the transaction of business.

7 (b) Trustees representing the public employers shall
8 collectively have one vote. Trustees representing the employee
9 beneficiaries shall collectively have one vote.

10 For any vote of the trustees representing the public
11 employers to be valid, three of these trustees must concur to
12 cast such a vote. In the absence of such concurrence, the
13 trustees representing the public employers shall be deemed to
14 have abstained from voting.

15 For any vote of the trustees representing the employee-
16 beneficiaries to be valid, three of these trustees must concur
17 to cast such a vote. In the absence of such concurrence, the
18 trustees representing the employee-beneficiaries shall be deemed
19 to have abstained from voting.

20 An abstention shall not be counted as either a vote in
21 favor or against a matter before the board.

____.B. NO. _____

1 (c) Any action taken by the board shall be by the
2 concurrence of ~~[at least]~~ two votes, as provided in
3 subsection (b). In the event of a tie vote on any motion, the
4 motion shall fail. The voting requirements of this section
5 shall prevail over the voting requirements set by any other law
6 or rule, including, but not limited to, any law or rule that
7 would otherwise require a two-thirds or unanimous vote of the
8 trustees of the board. ~~[Upon the concurrence of six trustees,~~
9 ~~the board shall participate in dispute resolution.]~~

10 (d) Upon the concurrence of two votes as provided in
11 subsection (b), the board shall participate in dispute
12 resolution on any matter that is the subject of a tie vote.

13 (e) Prior to voting on any motion or action, the trustees
14 representing the public employers and the trustees representing
15 the employee-beneficiaries may separately meet to discuss such
16 motion or action and such meetings shall not be subject to any
17 of the requirements of chapter 92 or to any other law requiring
18 open meetings, notice of meetings or minutes."

19 Section __. Section 87A-24, Hawaii Revised Statutes, is
20 amended to read as follows:

21 **"§87A-24 Other powers.** In addition to the power to
22 administer the fund, the board may:

____.B. NO. _____

(1) Collect, receive, deposit and withdraw money on behalf of the fund;

(2) Invest moneys in the same manner specified in section 88-119(1)(A), (1)(B), (1)(C), (2), (3), (4), (5), (6), and (7);

(3) Hold, purchase, sell, assign, transfer, or dispose of any securities or other investments of the fund, as well as the proceeds of those investments and any money belonging to the fund;

(4) Appoint, and at pleasure dismiss, an administrator and other fund staff. The administrator and staff shall be exempt from chapters 76 and 77, and shall serve under and at the pleasure of the board.

Notwithstanding any law to the contrary, including but not limited to chapters 46, 76, 77, 78, 89 and 89A, any other applicable civil service law, customary or historical past practices, or the fact that the services to be provided have been performed by persons or positions in civil service, the board may contract with a private third-party administrator to provide any and all services that could be provided by an administrator and other fund staff without complying

____.B. NO. _____

1 with any of the requirements placed on state officials
2 or agencies under Section 2 of Act 90, Session Laws of
3 Hawaii, 2001;

4 (5) Make payments of periodic charges and pay for
5 reasonable expenses incurred in carrying out the
6 purposes of the fund;

7 (6) Contract for the performance of financial audits of
8 the fund and claims audits of its insurance carriers;

9 (7) Without the necessity of complying with the
10 requirements of chapter 103D, retain auditors,
11 actuaries, investment firms and managers, benefit plan
12 consultants, or other professional advisors to carry
13 out the purposes of this chapter;

14 (8) Establish health benefits plan and long-term care
15 benefits plan rates that include administrative and
16 other expenses necessary to effectuate the purposes of
17 the fund; [~~and~~]

18 (9) Require any department, agency, or employee of the
19 State or counties to furnish information to the board to
20 carry out the purposes of this chapter; and

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22

____.B. NO. _____

1

2 (10) Form or use standing or special committees or sub-
3 committees that constitute less than all the board
4 members, and whose duties and powers shall be
5 established by the full board, provided that the
6 provisions of Chapter 92 shall apply to these standing
7 or special committees or subcommittees."

8 SECTION _____. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION _____. This Act shall take effect upon its approval.

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13 INTRODUCED BY: _____